

15 November 1950

MEMORANDUM FOR: THE EXECUTIVE

THRU: The Budget Officer

SUBJECT : Telephone Bill [REDACTED]

ILLEGIB

OGC Has
Reviewed

1. The attached memorandum of 9 November 1950 raises the question of payment of a telephone bill installed in a private home. In accordance with our conversation, Mr. Saunders and I discussed this matter informally with Mr. Fisher, the General Counsel to the Comptroller General.

2. We mentioned that the problem had arisen before, specifically in the case of the Coordinator of Information, whose funds were contained in an appropriation to the President containing broad language similar to that

[REDACTED] Mr. Fisher stated that a somewhat broader approach had been taken to statutory language of this type in the last few years, and that the earlier opinion to the Coordinator of Information would not necessarily be binding. He did state, however, that we should not submit the question for an official ruling at this time, but authorized us to notify the GAO auditor that the problem involved in this particular telephone bill should not be raised as a formal issue. I feel the inference in Mr. Fisher's remarks to be that we should not risk an adverse ruling on such a small point as it might rise to plague us on larger questions in the future.

OGC

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3. [REDACTED]

He said he felt sure he would be compelled to rule in some cases that, while the law as stated seemed to give almost unlimited authority, the payments involved could not be made. I feel he was encouraging us in such cases to make the same type of informal approach we have occasionally taken in the past. He did state that he was in agreement that items of this sort should not be put on the unvouchered side merely to avoid questions, but should be paid out of vouchered funds with instructions to the auditor as set forth above.

OGC

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4. As a general comment, I said I felt that the new regime would maintain close supervision over the unvouchered side and would insist that funds be properly spent for necessary official operations. Mr. Fisher said that he had confidence in the manner in which CIA was handling its fiscal authorities.

/s/ Lawrence R. Houston

(copies prepared & forwarded:

1 - Mrs. Abbott--GAO

3 - Claims)-22 Nov 50-bme

LAWRENCE R. HOUSTON

General Counsel

Legal Staff